HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

BEFORE ADJUDICATING OFFICER, HRERA, PANCHKULA

Complaint No.: 833 of 2025
Date of Institution: 07.08.2025
Date of Decision: 16.02.2026

Vinod Gupta ....COMPLAINANT

Versus

RAS Development Pvt Ltd ....RESPONDENT

Hearing: 3rd
Present: - Mr. ~~Neeraj Gupta~~ Akshat Mittal. — Corrected vide order dt 19/02/2026. Prakit Sharma 19/02/2026, Adv., for the complainant.
Respondent already ex-parte vide order dated 07.08.2025.

ORDER

This order of mine will dispose of a complaint filed by the complainant namely 'Vinod Gupta against RAS Development Pvt Ltd.', seeking compensation and the interest from this Forum, in accordance with the provisions of Rule 29 of the HRERA, Rules, 2017 (hereinafter to be referred as the Rules 2017), read with Sections 71 & 72 of the RERA Act, 2016 (hereinafter to be referred as the Act, 2016).

2. Brief facts of the complaint are that;

Prakit
16/02/2026

i. The respondent floated a scheme for the development of a Group Housing Colony to be constructed and developed on the land situated in the revenue estates of Karnal, Haryana under the name and style of "RAS Basera" at Village Padhana, District Karnal, Haryana.

ii. That the complainant was approached by the respondent in relation of booking of the flat and in pursuance of the same, the booking was made in the month of May 2016.

iii. That in pursuance of the booking, the allotment letter dated 09.05.2016 was issued by the respondent company in favour of the complainant, confirming the allotment of 2 BHK Apartment/Unit no. 507, 5th Floor, Tower-A2, having carpet area measuring 479.51 sq. ft. and Balcony area of 85.57 sq. ft. in project 'Ras Basera', at GT Road, Sector 16, Taraori, District Karnal.

iv. That the unit in question was offered for a total sale consideration of ₹14,81,315/. The complainant has duly made the following payments in favour of the respondent company:₹ 74,066/-. paid via cheque no. 025360 dated 19.01.2016 drawn on oriental Bank of Commerce, Karnal; Rs. 74,066/- paid via cheque no. 025373 dated 03.06.2016 drawn on oriental Bank of Commerce, Karnal; ₹ 50,715/- paid through Loan disbursement dated 25.08.2018; ₹ 9,62,854/- paid

Phalit
16/07/2026

through Loan disbursement dated 25.08.2018. A total payment of ₹ 11,61,701/ has been duly made by the complainant allottee as and when called for by the respondent.

v. That the complainant submitted that he was assured that the possession of the unit would be handed over within 3 years of the allotment. However, the Builder Buyer's Agreement inter-se the parties qua the unit in question was executed on 24.01.2017, the perusal whereof reveals that the said date has been manipulated by the respondent company and is infact vague. The relevant clause of the Agreement in this regard, i.e. Clause 3.6, is being reproduced hereunder for the ready reference, *"3.6 Possession of flat shall be offered within a period of four years from the date of approval of building plans or grant of environmental clearance, date of issuance of this flat buyer agreement or any other sanction by the authority, whichever is later and within such extended time (if any) as may be allowed by the competent authorities....."*

vi. The complainant asserted that even taking into account the clause entailed in the BBA, the due date of possession would be 4 years from the date of the agreement (24.01.2017), i.e. latest by 23.01.2021,

16/07/2026

which has long been elapsed, and the project in question is massively delayed.

vii. That the complainant has been paying the instalments as and when called for by the respondent in a hope of a quick possession as assured by the respondent. As such, despite making a hefty payment and complying with all the payment demands of the respondent company, the respondent has failed to adhere to the assurances. However, the respondent company has miserably failed to deliver the possession of the unit in question to the complainant by 23.01.2021 as per the agreement and assurances. It has been further submitted by the complainant that the respondent has failed to deliver possesslon of the unit in question even after 9 years of the booking and allotment of the unit in question, and 4 and a half years of the due date of possession (23.01.2021), and the delay is still continuing.

viii. That, the Complainant had taken loan from M/s ART Housing Finance (India) Ltd. qua the unit in question, and is also burdened by the instalments thereto. Furthermore, against the sanctioned loan amount of ₹ 11,50,715/-, the total loan disbursed so far is ₹10,13,569/-. In this regards, the said Housing Finance company issued the letter dated 27.03,2023 to the complainant stating therein

Prakit
16/02/2026

that "..... *we have noticed that there is no further demands raised/submitted by yourself or builder and because of this we have a pending disbursement of Rs. 137146/ lying in your account for more than six months in your loan facility. This delay is being treated as serious concern as it may is delaying the delivery of property. You are advised to immediately get in touch with your builder and arrange to issue demands so that further disbursement cau be made or an appropriate explanation in case no demand....."*

ix. That, being highly aggrieved and frustrated by the entire circumstances and faced by the miserable attitude of the respondent, the complainant left with no other option, but to approach the Hon'ble H.R.E.R.A. Panchkula vide complaint no. 1850 of 2023, praying for directions to the respondent to refund the amount alongwith interest. Furthermore, the Authority allowed the said complaint vide order dated 12.05.2025 directing refund of the entire amount deposited by the complainant alsong with interest of 11.1% from the date when the amounts were paid till actual realization of the amount.

x. That, as such, being highly aggrieved and frustrated by the entire circumstances and faced by the miserable attitude of the respondent which rendered the complainant completely shattered and

Phalit
16/02/2026

heartbroken, the complainant was left with no other option but to approach the Hon'ble Adjudicating Officer Panchkula, seeking compensation and interest as being prayed for.

3. In the instant case, the respondent was proceeded ex-parte on dated 07.08.2025, due to non-appearance.

4. This Forum has heard Mr. Akshat Mittal, Advocate, for the complainant and also gone through the record carefully.

5. In support of its contentions, learned counsel for the complainant has argued that in the instant case, complainant is entitled to get compensation and the interest thereon, because despite having played its part of duty as an allottee, as the complainant met all the requirements including payment of amount for the unit booked, it is the respondent who made to wait the complainant to get its unit well in time complete in all respect for more than 9 years, which forced the complainant to go for unwarranted litigation to get the refund by approaching Hon'ble Authority at Panchkula, which has finally granted the refund with interest thereon. He has further argued that the complainant has been played fraud upon by the respondent as it despite having used money deposited by the allottee, did not complete the project and enjoyed the said amount for its own cause which amounts to misappropriation of complainant's money on the part of respondent. He has also argued that in this case Res-judicata and Order 2 Rule 2 Code of Civil Procedure

6 Palit 16/09/2026

will not have an application as Hon'ble Authority has no jurisdiction to entertain the issue of grant of compensation. Finally, he has prayed to grant the compensation in the manner prayed in the complaint.

6. Since, in the instant case, the respondent has been proceeded ex-parte, and no reply was filed and today there is none to argue.

7. With due regards to the facts on record to decide the lis, this Forum possess following questions/issues to be answered;

(a) Whether the RERA, Act, 2016 and Rules, 2017 bars this Forum to grant compensation when relief of refund with interest has already been granted by Hon'ble Authority?

(b) Whether the RERA Act, 2016, is retrospective or retroactive in its operation?

(c) What are the factors to be taken note of to decide compensation?

(d) Whether it is necessary for the complainant to give evidence of mental harassment, agony, grievance and frustration caused due to deficiency in service, unfair trade practice and miserable attitude of the promoter, in a case to get compensation or interest?

(e) Whether complainant is entitled to get compensation in the case in hand?

Prakash
16/01/2026

8. Now, this Forum will take on each question posed to answer, in the following manner, to decide the lis;

8(a) Whether the RERA, Act, 2016 and Rules, 2017 bars this Forum to grant compensation when relief of refund with interest has already been granted by Hon'ble Authority?

The answer to this question is in negative.

This question has been answered by Hon'ble Apex Court in Civil Appeal no.(s) 6745-6749 of 2021 titled as "M/s New Tech Promoters and Developers Pvt. Ltd. v/s State of U.P. & Ors." on dated 11.11.2021, to the effect that relief of adjudging compensation and interest thereon under Section 12,14,18 and 19, the Adjudicating Officer exclusively has the power to determine, keeping in view the provisions of Section 71 read with Section 72 of the Act. The relevant Para of the judgment is reproduced below;

"86. From the scheme of the Act of which a detailed reference has been made and taking note of power of adjudication delineated with the Regulatory Authority and Adjudicating Officer, what finally culls out is that although the Act indicates the distinct expressions like 'refund', 'interest', 'penalty' and 'compensation', a conjoint reading of Sections 18 and 19 clearly manifests that when it comes to refund of the amount, and interest on the refund amount, or directing payment of interest for delayed delivery of possession, or penalty and interest thereon, it is the Regulatory Authority which has the power to examine

Phalit
16/02/2026

and determine the outcome of a complaint. At the same time, when it comes to a question of seeking the relief of adjudging compensation and interest thereon under Sections 12, 14, 18 and 19, the Adjudicating Officer exclusively has the power to determine, keeping in view the collective reading of Section 71 read with Section 72 of the Act. If the adjudication under Sections 12, 14, 18 and 19 other than compensation as envisaged, if extended to the Adjudicating Officer as prayed that, in our view, may intend to expand the ambit and scope of of the powers and functions of the Adjudicating Officer under Section 71 and that would be against the mandate of the Act 2016."

Thus, in view of above law laid down by Hon'ble Apex Court, the reliefs provided under Section 31 and then Section 71 of the RERA Act, 2016 read with Rule 29 of Rules, 2017 are independent to each other to be granted by two different Authorities.

In nutshell, the plea of bar of granting compensation or interest, is devoid of merit.

8(b)Whether the RERA Act, 2016 is retrospective or retroactive in its operation?

This forum observed that the operation of the Act is retroactive in nature. Reference can be made to the case titled "M/s Newtech Promoters & Developers Pvt. Ltd. vs. State of UP & Ors. Etc." 2022(1) R.C.R. (Civil) 357, wherein the Hon Apex Court has held as under:-

"41. The clear and unambiguous language of the statute is retroactive in operation and by applying purposive interpretation rule of statutory construction, only one result is

Dhaliwal
16/01/2026

possible, i.e., the legislature consciously enacted a retroactive statute to ensure sale of plot, apartment or building, real estate project is done in an efficient and transparent manner so that the interest of consumers in the real estate sector is protected by all means and Sections 13, 18(1) and 19(4) are all beneficial provisions for safeguarding the pecuniary interest of the consumers/allottees. In the given circumstances, if the Act is held prospective then the adjudicatory mechanism under Section 31 would not be available to any of the allottee for an ongoing project. Thus, it negates the contention of the promoters regarding the contractual terms having an overriding effect over the retrospective applicability of the Act, even on facts of this case."

45. At the given time, there was no law regulating the real estate sector, development works/obligations of promoter and allottee, it was badly felt that such of the ongoing projects to which completion certificate has not been issued must be brought within the fold of the Act 2016 in securing the interests of allottees, promoters, real estate agents in its best possible way obviously, within the parameters of law. Merely because enactment as prayed is made retroactive in its operation, it cannot be said to be either violative of Articles 14 or 19(1)(g) of the Constitution of India. To the contrary, the Parliament indeed has the power to legislate even retrospectively to take into its fold the preexisting contract and rights executed between the parties in the larger public interest."

53. That even the terms of the agreement to sale or home buyers agreement invariably indicates the intention of the developer that any subsequent legislation, rules and regulations etc. issued by competent authorities will be binding on the parties. The clauses have imposed the applicability of subsequent legislations to be applicable and binding on the flat buyer/allottee and either of the parties, promoters/home buyers or allottees, cannot shirk from their responsibilities/liabilities

Phalit
16/02/2026

under the Act and implies their challenge to the violation of the provisions of the Act and it negates the contention advanced by the appellants regarding contractual terms having an overriding effect to the retrospective applicability of the Authority under the provisions of the Act which is completely misplaced and deserves rejection.

54. From the scheme of the Act 2016, its application is retroactive in character and it can safely be observed that the projects already completed or to which the completion certificate has been granted are not under its fold and therefore, vested or accrued rights, if any, in no manner are affected. At the same time, it will apply after getting the ongoing projects and future projects registered under Section 3 to prospectively follow the mandate of the Act 2016."

Further, the same legal position was laid down by the Hon"ble Bombay High Court in "Neel Kamal Realtors Suburban Pvt. Ltd. & Anr. Vs. Union of India and others" 2018(1) RCR (Civil) 298 (DB), wherein it was laid down as under: -

"122. We have already discussed that the above stated provisions of the RERA are not retrospective in nature. They may to some extent be having a retroactive or quasi retroactive effect but then on that ground the validity of the provisions of RERA cannot be challenged. The Parliament is competent enough to legislate law having retrospective or retroactive effect. A law can be even framed to affect subsisting/existing contractual rights between the parties in the larger public interest. We do not have any doubt in our mind that the RERA has been framed in the larger public interest after a thorough study and discussion made at the highest level by the Standing Committee and Select Committee, which submitted its detailed reports. As regards Article 19(1)(g) it is settled principles that the right conferred

16/07/2026

*by sub-clause (g) of Article 19 is expressed in general language and if there had been no qualifying provisions like clause (6) the right so con*ferred would have been an absolute one."

Thus, it is clear from the above said law that the provisions of the Act is retroactive in nature and are applicable to an act or transaction in the process of completion. Thus, the rule of retroactivity will make the provisions of the Act and the Rules applicable to the acts or transactions, which were in the process of the completion though the amendment/contract/agreement might have taken place before the Act and the Rules became applicable.

8(c) What are the factors to be taken note of to decide compensation?

On this point, relevant provisions of RERA Act, 2016 and also law on the subject for grant of compensation, are as under;

(i) Section 18 - Return of amount and compensation

(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,—

(a) *in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or (b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:*

Pralit
16/02/2026

Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.

(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.

(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act.

Section 18(1) of the Act, 2016, caters for grant of compensation to the allottee who withdraws from the project and its proviso bars the grant of compensation to the allottee who elects to continue with project.

(ii) How an Adjudicating Officer is to exercise its powers to adjudicate, has been mentioned in a case titled as **Mrs. Suman Lata Pandey & Anr v/s Ansal Properties & Infrastructure Ltd. Appeal no. 56/2020, by Hon'ble Uttar Pradesh Real Estate Appellate Tribunal at Lucknow dated 29.09.2022** in the following manner;

12.8- The word "fail to comply with the provisions of any of the sections as specified in sub section (1)" used in Sub-Section (3) of Section 71, means failure of the promoter to comply with the requirements mentioned in Section 12, 14, 18 and 19. The

Pulit
16/02/2026

Adjudicating Officer after holding enquiry while adjudging the quantum of compensation or interest as the case may be, shall have due regard to the factors mentioned in Section 72. The compensation may be adjudged either as a quantitative or as compensatory interest.

12.9 – The Adjudicating Officer, thus, has been conferred with power to directed for making payment of compensation or interest, as the case may be, "as he thinks fit" in accordance with the provisions of Section 12, 14, 18 and 19 of the Act after taking into consideration the factors enumerated in Section 72 of Act.

(iii) What is to be considered by the Adjudicating Officer, while deciding the quantum of compensation, as the term "compensation" has not been defined under RERA Act, 2016, is answered in Section 71 of the Act, 2016, as per which " he may direct to pay such compensation of interest, as the case may any be, as he thinks fit in accordance with the provisions of any of those sections,"

Section 72, further elaborate the factors to be taken note of, which read as under;

Section 72: Factors to be taken into account by the adjudicating officer.

72. *While adjudging the quantum of compensation or interest, as the case may be, under Section 71, the adjudicating officer shall have due regard to the following factors, namely:—*

(a) the amount of disproportionate gain or unfair advantage, wherever quantifiable, made as a result of the default;

(b) the amount of loss caused as a result of the default;

(c) the repetitive nature of the default;

Pratik
16/02/2026

(d) such other factors which the adjudicating officer considers necessary to the case in furtherance of justice.

(iv) For determination of the entitlement of complainant for compensation due to default of the builder/developer Hon'ble Apex Court in **M/s Fortune Infrastructure (now known as M/s. Hicon Infrastructure) & Anr. Vs. Trevor D'Lima and Others, Civil Appeal No.(s) 3533-3534 of 2017 decided on 12.03.2018 , has** held as under:-

"Thus, the Forum or the Commission must determine that there has been deficiency in service and/or misfeasance in public office which has resulted in loss or injury. No hard-and-fast rule can be laid down, however, a few examples would be where an allotment is made, price is received/paid but possession is not given within the period set out in the brochure. The Commission/Forum would then need to determine the loss.

Loss could be determined on the basis of loss of rent which could have been earned if possession was given and the premises let out or if the consumer has had to stay in rented premises, then on the basis of rent actually paid by him. Along with recompensing the loss the

Prakash
16/01/2026

Commission/Forum may also compensate for harassment/injury, both mental and physical."

In the aforesaid case, Hon'ble Apex Court laid down the principle for entitlement of the compensation due to loss or injury and its scope in cases where the promoter of real estate failed to complete the project and defaulted in handing over its possession. Similarly, Hon'ble Three Judge Bench of the Hon'ble Apex Court in **Charan Singh Vs. Healing Touch Hospital & Ors. (2000) 7 SCC 668,** had earlier held regarding assessment of damages in a case under Consumer Protection Act, in the following manner;

"*While quantifying damages, Consumer Forums are required to make an attempt to serve the ends of justice so that compensation is awarded, in an established case, which not only serves the purpose of recompensing the individual, but which also at the same time, aims to bring about a qualitative change in the attitude of the service provider. Indeed, calculation of damages depends on the facts and circumstances of each case. No hard and fast rule can be laid down for universal application. While awarding compensation, a consumer forum has to take into account all relevant factors and assess compensation on the basis of accepted legal principles, and moderation. It is for the consumer forum to grant compensation to the extent it finds it reasonable, fair and proper in the facts and circumstances of a given case according to the established judicial standards where the claimant is liable to establish his charge.*"

8(d) **Whether it is necessary for the complainant to give evidence of mental harassment, agony, grievance and frustration caused due to deficiency in**

Phalit
16/01/2026

service, unfair trade practice and miserable attitude of the promoter, in a case to get compensation or interest?

The answer to this question is that no hard and fast rule could be laid to seek proof of such feelings from an allottee. He/she may have documentary proof to show the deficiency in service on the part of the builder and even this Forum could itself take judicial notice of the mental and physical agony suffered by an original allottee due to non-performance of duties on the part of the promoter, in respect of the promises made to lure an allottee to invest its hard earned money to own its dream house without realising the hidden agendas or unfair practices of the builder in that project.

In nutshell, to award compensation, the Forum can adopt any procedure suitable in a particular case to decide the availability of factors on record entitling or disentitling an allottee to get compensation which is the reason even under Rule 29 of the Rules 2017, it is not compulsory to lead evidence.

8(e) Whether the complainant is entitled to get compensation in the case in hand?

Before deliberating on this aspect, it is necessary to deliberate upon admitted facts to be considered to decide the lis;

Phalit
16/01/2026

<table>
<tr><td>(i)</td><td>Project pertains to the year</td><td>2016</td></tr>
<tr><td>(ii)</td><td>Date of Allotment</td><td>09.05.2016</td></tr>
<tr><td>(iii)</td><td>Proposed Handing over of possession</td><td>23.01.2021 (4 years from the date of the agreement (24.01.2017)</td></tr>
<tr><td>(iv)</td><td>Basic sale price</td><td>₹14,81,315/-</td></tr>
<tr><td>(v)</td><td>Total amount paid</td><td>₹11,61,701/-</td></tr>
<tr><td>(vi)</td><td>Period of pay ment</td><td>19.01.2016-
25.08.2018
<table><tr><td>Sr. No.</td><td>Date of payment</td><td>Amount in (₹)</td></tr><tr><td>1.</td><td>19.01.2016</td><td>₹74,066/-</td></tr><tr><td>2.</td><td>03.06.2016</td><td>₹74,066/-</td></tr><tr><td>3.</td><td>25.08.2018</td><td>₹50,725/-</td></tr><tr><td>4.</td><td>25.08.2018</td><td>₹9,62,854/</td></tr><tr><td></td><td>Total-</td><td>₹11,61,701</td></tr></table></td></tr>
<tr><td>(vi)</td><td>Occupancy certificate Whether received till Filing of complaint</td><td>NO</td></tr>
<tr><td>(vii)</td><td>Date of filing of complaint under Section 31 before Hon'ble Authority</td><td>06.09.2023</td></tr>
<tr><td>(viii)</td><td>Date of order of Authority</td><td>12.05.2025</td></tr>
</table>

Parmit
16/02/2026

(ix)	Date of filing of complaint under Sections 71 read with Rule 29	27.06.2025
(x)	Date when total refund made, if made	No amount refunded till date

It is a matter of record that the project, did not get completion certificate till filing of the complaint on dated 27.06.2025.

It is also admitted on record that the complainant did not get possession of the unit allotted. There can also be no denial that allottees of the unit generally spend their lifetime earning and they are not at equal footings with that of the promoter, who is in a dominating position. The position of the allottee becomes more pitiable and sympathetic when he or she has to wait for years together to get the possession of a unit allotted despite having played its bid. But, on the contrary, it is the promoter who enjoys the amount paid by allottees during this period and keep on going to delay the completion of the project by not meeting legal requirements on its part to get the final completion from competent Authority about fulfilling which such promoter knew since the time of advertisement of the launch of the project. Further, the conduct of the promoter to enjoy the amount of allottees paid is nothing but misappropriation of the amount legally paid as the promoter did not hand over possession, which the promoter was legally bound to

Pralit
16/02/2026

do. It is not out of place to mention here that if the promoter/respondent had a right to receive the money from the allottee to hand over the possession in time, it is bound to face the consequences for not handing over the possession in time. Here, it is worth to quote a Latin maxim "**ubi jus ibi remedium,**" which means "where law has established a right, there should be a corresponding remedy for its breach." If this be the legal and factual position, the promoter is not only bound to refund the amount but also to compensate the allottee for disappropriate gain or unfair advantage on the part of the promoter within the meaning of Section 72(a) of the Act 2016, of the amount paid. It is not out of place to mention here that as per record, the allottee had paid ₹11,61,701/-. However, it is not in dispute that the respondent neither completed the project, nor handed over possession till allottee having been forced to approach Hon'ble HRERA Authority, Panchkula, to get refund along with interest after having indulged in unwarranted forced litigation by the promoter at the cost of allottee's personal expenses, which it has not got till date. During this period, obviously, the allottee had to suffer inconvenience, harassment, mental pain and agony during the said period bringing its case within the ambit of Section 72(d) of the Act, 2016 as such feelings are to be felt/sensed by this Forum without seeking any proof thereof.

In view of the above, the promoters had been using the amount of ₹11,61,701/-, for a substantial amount of time now. For the sake of repetition

Phalit
16/02/2026

it is held that it can definitely be termed as disappropriate gain or unfair advantage, as enumerated in Section 72(a) of the Act. In other words, it had been loss to allottee as a result of default on the part of the promoter which continues till date. Thus, it would be in the interest of justice, if the compensation is ordered to be paid to the complainant after taking into consideration, the default of respondent for the period starting from 2016 till date and also misutilization of the amount paid by the complainant to the respondent. In fact, the facts and circumstances of this case itself are proof of agony undergone by the complainant for so long, hence, there is no need to look for formal proof of the same. Further, there can't be denial to the effect that the allottee must have had to run around to ask the promoter to hand over the possession and also that if the unit provided in time, there was no reason for the complainant to file the complaints/execution petition by engaging counsel(s) at different stages, and also that because of escalation of prices of unit in the recent years, the complainant may not be in a position to purchase the same unit now even by paying triple of the amount initially quoted, which amounts to loss of opportunity to the allottee. These factors also enable an allottee to get compensation.

In view of the forgoing discussions, the complainant is held entitled for compensation.

Pranit
16/02/2026

9. Once, the complainant has been held entitled to get compensation, now it is to be decided how much compensation is to be granted, on which amount, what would be rate of interest and how long the promoter would be liable to pay the interest?

Before answering this question, this Forum would like to reproduce the provisions of Section 18 of the Act, 2016, Rules 15 and 16 of HRERA, Rules, 2017 and also definition of 'interest' given in Section 2(za) of the RERA Act, 2016;

Rule 15 - Prescribed Rate of Interest - [Proviso to section 12, section 18 and sub section (4) and sub-section (7) of section 19]

For the purpose of proviso to section 12; section 18; and sub-sections (4) and (7) of section 19, the "interest at the rate prescribed" shall be the State Bank of India highest marginal cost of lending rate +2%.:

Provided that in case the State Bank of India marginal cost of lending rate (MCLR) is not in use, it shall be replaced by such benchmark lending rates which the State Bank of India may fix from time to time for lending to the general public.]

Rule 16- Timelines for refund of money and interest at such rate as may be prescribed, payment of interest at such rate as may be prescribed:- [Section 18 and Section 19].-

(1). Any refund of money along with the interest at such rate as may be prescribed payable by the promoter in terms of the Act, or rules and regulations made there under shall be payable by the promoter to the allottee within a period of ninety days from the date on which such refund alongwith interest such rate as may be prescribed has been ordered by the Authority.

Preeti
16/01/2026

(2) Where an allottee does not intend to withdraw from the project and interest for every month of delay till handing over of the possession at such rate as may be prescribed ordered by the Authority to be paid by the promoter to the allottee, the arrears of such interest accrued on the date of the order by the Authority shall be payable by the promoter to the allottee within a period of ninety days from the date of the order of the Authority and interest for every month of delay shall be payable by the promoter to the allottee before 10th day of the subsequent month.

Section 18 - Return of amount and compensation.

(1) If the promoter fails to complete or is unable to give possession of an apartment, plot or building,—
(a) in accordance with the terms of the agreement for sale or, as the case may be, duly completed by the date specified therein; or
(b) due to discontinuance of his business as a developer on account of suspension or revocation of the registration under this Act or for any other reason, he shall be liable on demand to the allottees, in case the allottee wishes to withdraw from the project, without prejudice to any other remedy available, to return the amount received by him in respect of that apartment, plot, building, as the case may be, with interest at such rate as may be prescribed in this behalf including compensation in the manner as provided under this Act:
Provided that where an allottee does not intend to withdraw from the project, he shall be paid, by the promoter, interest for every month of delay, till the handing over of the possession, at such rate as may be prescribed.
(2) The promoter shall compensate the allottees in case of any loss caused to him due to defective title of the land, on which the project is being developed or has been developed, in the manner as provided under this Act, and the claim for compensation under this subsection shall not be barred by limitation provided under any law for the time being in force.
(3) If the promoter fails to discharge any other obligations imposed on him under this Act or the rules or regulations made thereunder or in accordance with the terms and conditions of the agreement for sale, he shall be liable to pay such compensation to the allottees, in the manner as provided under this Act.

Phalit
16/07/2026

Section 2(za) *- "interest" means the rates of interest payable by the promoter or the allottee, as the case may be.*
Explanation.—For the purpose of this clause—
(i) the rate of interest chargeable from the allottee by the promoter, in case of default, shall be equal to the rate of interest which the promoter shall be liable to pay the allottee, in case of default;
(ii) the interest payable by the promoter to the allottee shall be from the date the promoter received the amount or any part thereof till the date the amount or part thereof and interest thereon is refunded, and the interest payable by the allottee to the promoter shall be from the date the allottee defaults in payment to the promoter till the date it is paid;

Perusal of provisions of Section 18(1)(b) make it clear that in case of refund or compensation, the grant of interest may be at such rate as prescribed in this behalf in the Act, 2016. It is not out of place to mention here that Section 18(1)(b), not only deals with cases of refund where allottee withdraws from project but also the cases of compensation as is evident from the heading given to this section as well as the fact that it has mention of refund and rate of interest thereon including cases of compensation. However, it bars grant of compensation to allottee who continue with project.Further, perusal of provisions of Section 18(1)(b) of the Act, 2016, indicate that the allottee shall be entitled to get refund or compensation, as the case may be, with interest at the rate prescribed in the Act, 2016.

Rule 15 of the Rules 2017, defines the "prescribed rate" as "State Bank of India highest marginal cost of lending rate+2% with proviso".

Phalit
16/02/2026

Further, Rule 16 of the Rules, 2017, provides for the time limit to refund money and interest thereon and that interest is to be as per the rate prescribed in Rule 15 in the matters covered under Proviso to section 12, Section 18 and Section 19 (4) and 19(7) of the Act, 2016. It further deals with two situations, one, where the allottee has opted for a refund rather than a unit in a project and second case where he has gone for the project but there is delay in delivery. Hence, it cannot be said that the Rule 16 deals with only one situation out of two mentioned in sub rule (1) and sub rule (2) respectively. It is not out of place to mention here that this Rule 16 deals with cases related to Sections 18(1) & 19 of the Act, 2016 only in those cases where allottee withdraws from the project. In other words, where allottee continues with project, then is entitled to relief mentioned in proviso to Section 18(1) only as proviso does not cater for grant of compensation where allottee continues with project.

How long the interest would remain payable on the refund or compensation, as the case may be, is provided in Section 2(za) of the Act, 2016, which says that "cycle of interest would continue till the entire amount is refunded by the promoter". In other words, if the provisions of Section 18 read with Rule 15 read with Rule 16 and Section 2(za) are interpreted co-jointly, then it would mean that in case of refund or compensation, as the

Pshalit
16/02/2026

case may be, the promoter will be liable to pay the interest from the date the promoter received the amount or any part thereof till the date the amount of refund or compensation, as the case may be, or part thereof along with up to date interest is refunded/paid, even if not specified in the order under execution. However, the situation is different in case of an allottee's default in payments to the promoter till the date it is paid. With this legal position, it is safe to conclude in the case in hand that in view of Explanation (ii) to Section 2(za) the allottee will be entitled to get the interest up to date of the final payment at the rate prescribed in Rule 15.

RELIEF

10. Reverting back to the facts of the case under consideration, having the above discussed legal position in mind, it is concluded that respondent is directed to make payment of compensation as calculated below in relief; having in mind the provisions of Rule 15;

The calculation of compensation as verified by the Account Branch of Hon'ble Authority is tabulated below:

Pankaj
16/02/2026

Amount Paid (in ₹)	Time period	Rate	Compensation Amount (in ₹)
74,066/-	19.01.2016-16.02.2026	10.80%	₹ 80,693/-
74,066/-	03.06.2016-16.02.2016	10.80%	₹ 77,712/-
50,715	25.08.2018-16.02.2026	10.80%	₹ 41,012/-
9,62,854	25.08.2018-16.02.2026	10.80%	₹ 7,78,514
Total			**₹9,78,047/-**

11. Since, the complainant has been forced to file the complaint to get his legal right of compensation, the complainant is granted ₹30,000/- as litigation charges.

The total compensation comes to ₹9,78,047/-+₹30,000/-= **₹10,08,047/-** (Rupees Ten Lakh Eight Thousand Forty-Seven Rupees only). Undoubtedly, the amount of compensation, if calculated with the relief granted by the Hon'ble Authority, it appears that the allottee has got much more than they spent but it is justified because the property which he had applied in the year 2016, may be costing now much more than the amount which the allottee is ordered to get in total under the Act, 2016.

Phalit
16/02/2026

12. Consequently, the present complaint is allowed in the manner discussed above. The respondent is directed to pay an amount of ₹9,78,047/-+₹30,000/-= **₹10,08,047/-** (Rupees Ten Lakh Eight Thousand Forty-Seven Rupees only) within 90 days to the complainant. First instalment is to be paid within 45 days from the date of uploading of this order and remaining amount within the next 45 days.

It is further directed that if the payment is not made in the manner directed within stipulated time, in view of the provisions of Section 2(za) of the Act, 2016, the respondent shall be liable to pay interest on delayed payment as per the provisions of Rule 15 of the Rules, 2017, till realization of the amount.

13. **No deduction of Tax at Source**

It is directed that since, the amount so ordered to be paid with interest till realisation of total amount, is in the form of compensation, the respondent will have no authority to deduct Tax at source (TDS) in view of the law laid down in **8/1422-WPL4804-2020 titled All India Reporter Ltd vs. Kanchan P Dhuri, All India Reporter Ltd. And Anr. vs Ramchandra Dhondo Datar, AIR 1961 BOM 292, M/s. Beacon Projects Pvt. Ltd versus The Commissioner of Income Tax, ITA No. 258 of 2014 decided on dated 23.06.2015 by Hon'ble Kerala High Court, Civil Appeal Nos. 11248-11249 of 2016 titled as Parsvnath Developers Ltd. vs. Rajesh Kumar Aggarwal decided on dated 11.09.2017, Writ Petition**

Rohit
16/02/2026

(L) No. 4804 of 2020 titled Sainath Rajkumar Sarode and 8 Ors. vs. State of Maharastra and 6 Ors decided on dated 18.08.2021 by Hon'ble Bombay High Court, Execution Application no. 159 of 2022 in CC/277/2019 titled Madhav Joshi vs Vatika Limited decided on dated 26.04.2024 by NCDRC and Civil Appeal nos. 822-823 of 2024 titled as M/S BPTP LIMITED & ORS. vs. Terra Flat Buyers Association decided on dated 28.11.2024 by Hon'ble Apex Court.

14. The present complaint stands **disposed of** in view of the above observations. File be consigned to record room after uploading of this order on the website of the Authority.

.....

MAJOR PHALIT SHARMA
ADSJ(Retd.)
ADJUDICATING OFFICER
16.02.2026

Note: This order contains 29 pages and all the pages have been checked and signed by me.

.....

Akhil Bhardwaj
Law Associate

MAJOR PHALIT SHARMA
ADSJ (Retd.)
ADJUDICATING OFFICER
16.02.2026

HARYANA REAL ESTATE REGULATORY AUTHORITY PANCHKULA

Website: www.haryanarera.gov.in

BEFORE ADJUDICATING OFFICER

Complaint No. 833 of 2025

Vinod Gupta ....COMPLAINANT

VERSUS

RAS Development Pvt Ltd .....RESPONDENT

Present:- None for the complainant.
None for the respondent.

ORDER

Today, the file is put up before undersigned by Sh. Akhil Bhardwaj, Law Associate, with an information that in the detailed order passed on merit on dated 16.02.2026, in the present complaint, on the first page of the order inadvertently the name of Sh. Neeraj Gupta, Advocate for the complainant has been mentioned whereas it is Sh. Akshat Mittal, Advocate who had appeared and argued for the complainant and because of the said reason his name find mention at page 2 of the said order as arguing counsel for complainant. He has further requested to rectify this inadvertent clerical mistake to set the record correct.

Dalit
19/02/2026

Undersigned has gone through the file and is convinced that because of typographical mistake, the name of Sh. Neeraj Gupta has been mentioned on page 1 of the order, whereas it should have been the name of Sh. Akshat Mittal. Since, it is a typographical mistake not affecting to the findings given on merit while deciding the complaint, such correction is required to be made as it would not cause any prejudice to the respondent which is already ex-parte and also because the law permits to correct any typographical mistake if brought in notice of the Court/Forum. Resultantly, Sh. Akhil Bhardwaj, Law Associate, is directed that after striking the name of Sh. Neeraj Gupta, the name of the Sh. Akshat Mittal be mentioned with the red ink under signatures of undersigned.

2. File be re-consigned to record room after due compliance.

3. Let the order be uploaded on the web portal of the Authority.

.....

MAJOR PHALIT SHARMA
ADSJ (Retd.)
ADJUDICATING OFFICER
19.02.2025